

ANNUAL REPORT

Company Name: Viet Duc Welding Electrode Joint Stock Company

Reporting Year: 2024

Hanoi, March 25, 2025

I. General Information

1. Overview

- **Trade Name:** Viet Duc Welding Electrode Joint Stock Company
- **Business Registration Certificate No.:** 0500445085, issued on August 25, 2016.
 - **4th amendment:** January 2, 2020
 - **6th amendment:** December 13, 2022
- **Charter Capital:** 55,247,160,000 VND
- **Owner's Investment Capital:** 55,247,160,000 VND
- **Address:** Nhi Khe – Thuong Tin – Hanoi, Vietnam
- **Phone Number:** (84) 33853360
- **Fax Number:** (84) 33853653
- **Website:** qhd.com.vn
- **Stock Code (if applicable):** QHD

2. Formation and Development Process

Viet Duc Welding Electrode Joint Stock Company originated as the Welding Electrode Factory, established on **March 29, 1967**, in Giap Bat Ward, Dong Da District, Hanoi. Over the years, due to organizational restructuring, the company has undergone multiple name changes:

- **1967:** Established as the Welding Electrode Factory under the Ministry of Heavy Industry.
- **1978:** Renamed to Vietnam - GDR Welding Electrode Factory, with a production capacity of 7,200 tons/year.
- **March 1995:** The factory was renamed Viet Duc Welding Electrode Company by the Ministry of Industry to align with the new economic mechanism.
- **June 10, 2003:** Decision No. 1335 initiated the equitization process.
- **October 14, 2003:** Decision No. 166 by the Ministry of Industry approved the equitization plan, officially transforming the company into **Viet Duc Welding Electrode Joint Stock Company** as of January 1, 2004.
- **April 22, 2010:** **2,742,270** company shares with stock code **QHD** were officially listed and traded on the Hanoi Stock Exchange (HNX).
- **April 28, 2011:** The company was approved to list **1,507,631** additional shares, increasing the total number of tradable shares to **4,249,901**.
- **2016:** Issued shares for dividend payments at a **10:3** ratio.
 - **November 7, 2016:** **1,274,815** additional shares were officially traded on the Hanoi Stock Exchange, bringing the total listed shares to **5,524,716**.
- Over its development, the company has been awarded:
 - **First, Second, and Third-class Labor Medals**
 - **Independence Medal**
 - **Various certificates of merit and commendation flags** from the Government and Ministries.



- Initially a factory built and transferred by East Germany (GDR) specializing in **welding electrode production**, the company has since expanded its product range to include:
 - **Solid welding wires (CO2 wires)**
 - **Flux-cored wires (W71-1C)**
- **Expansion:**
 - From a single factory, the company now operates an **additional manufacturing plant in Hai Duong**.
 - Established a **representative office in Ho Chi Minh City**.

II. Business Sectors and Market Coverage

1. Business Activities

- **Manufacturing and trading welding materials** (welding electrodes, welding wires, etc.).
- **Trading raw materials for welding material production.**
- **Other business activities compliant with legal regulations.**
- **Construction services:**
 - Residential building construction
 - Electrical works
 - Water supply and drainage projects
 - Demolition and site preparation
 - Real estate business, land-use rights trading, and leasing

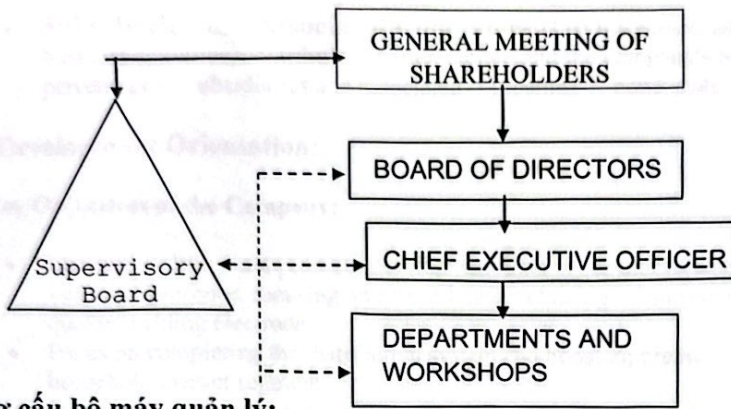
2. Market Coverage

- The company's products are distributed nationwide, with the **main market concentrated in the northern region**, including key provinces such as:
 - **Hai Phong, Quang Ninh, Nam Dinh, Thai Binh, etc.**
- **Customer base:**
 - The company serves various industries, including:
 - Machinery assembly
 - Shipbuilding
 - Automotive and motorcycle manufacturing
 - Construction
 - Transportation infrastructure
- **Export markets:**
 - The company has expanded exports to regions such as:
 - **Middle East**
 - **United States**
 - **And other markets**

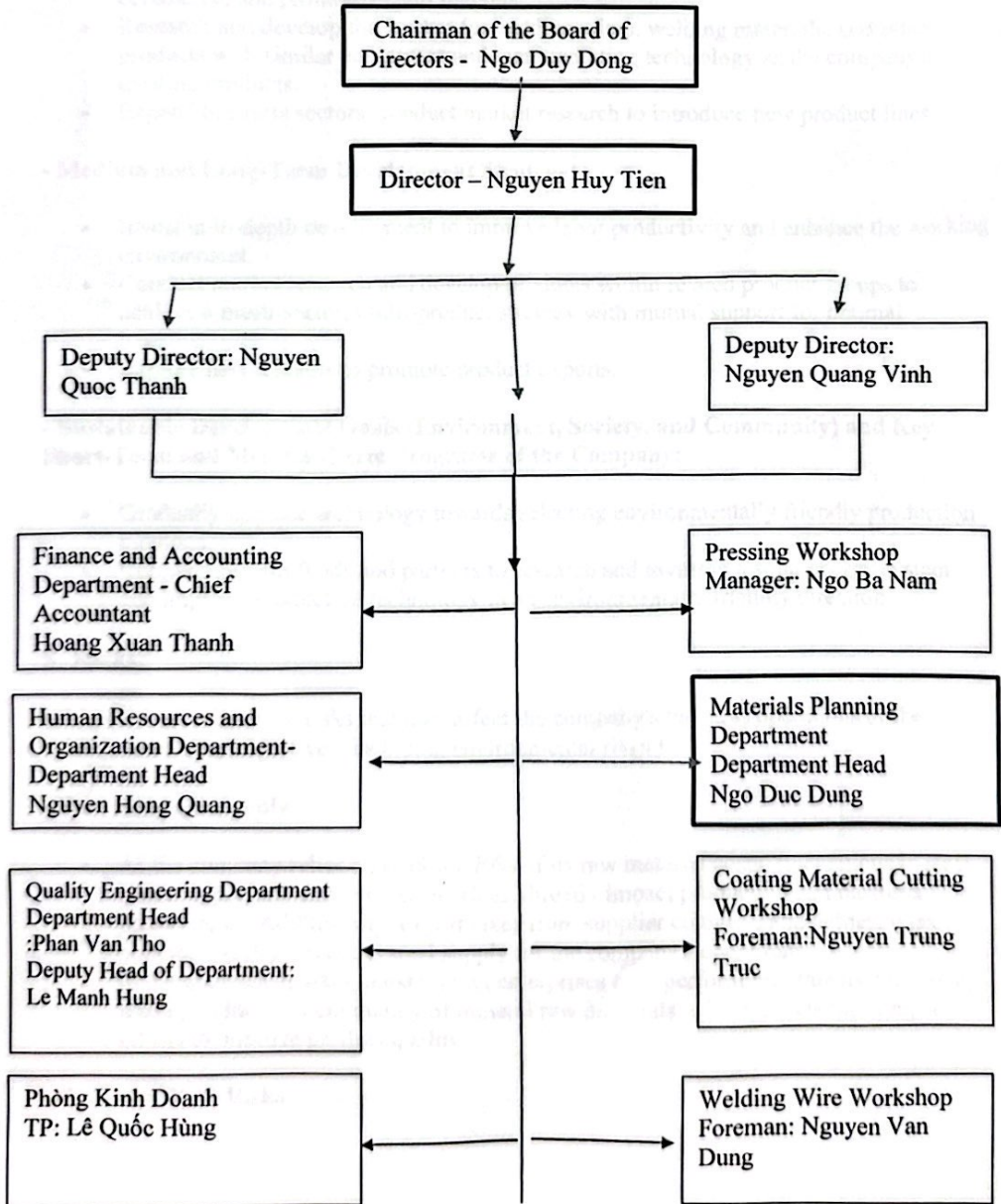
2. Information on Governance Model, Business Organization, and Management Structure

- **Governance Model:**

33000
 NG T
 PHẢ
 HAN E
 T ĐƯ
 TIN-T.



Cơ cấu bộ máy quản lý:



- **Subsidiaries and Associated Companies:**(List the names, addresses, main business activities, contributed charter capital, and the company's ownership percentage in subsidiaries and associated companies. If none, state "None.")

4. Development Orientation:

- Key Objectives of the Company:

- Maintain stability and promote development to enhance market share in conventional welding electrodes, focusing on research and technological improvements for high-quality welding electrodes.
- Focus on completing the distribution system and boosting product consumption in the household market segment.
- Develop a distribution network to expand the southern market, implement e-commerce, and promote export markets.
- Research and develop the market for welding wires, welding materials, and other products with similar equipment and manufacturing technology as the company's existing products.
- Expand business sectors, conduct market research to introduce new product lines.

- Medium and Long-Term Development Strategy:

- Invest in in-depth development to improve labor productivity and enhance the working environment.
- Conduct market research and develop products within related product groups to achieve a multi-sector, multi-product strategy with mutual support for optimal benefits.
- Explore new markets to promote product exports.

- Sustainable Development Goals (Environment, Society, and Community) and Key Short-Term and Medium-Term Programs of the Company:

- Gradually upgrade technology towards selecting environmentally friendly production methods.
- Collaborate with funds and partners to research and invest in a solar energy system and improve production technology in an environmentally friendly direction.

5. Risks:

(This section outlines the risks that may affect the company's business operations or the achievement of its objectives, including environmental risks.)

- Raw Material Supply:

- As the company relies on steel for 70% of its raw material costs, fluctuations in steel prices, especially domestic steel prices, directly impact production and business performance. Additionally, export taxes from supplier countries and domestic tax policies directly affect the steel supply for the company's operations.
- In the domestic market, most mining enterprises only perform preliminary processing, leading to inconsistent quality of mineral raw materials, which affects the company's efforts to improve product quality.

- Exchange Rate Risks:

- The company's imported raw materials are mainly paid in US dollars (USD) and Chinese yuan (CNY), making its profitability highly susceptible to exchange rate fluctuations of these currencies.

- Payment Risks:

- The company's main customers operate in sectors that rely on state capital (such as shipbuilding, construction, transportation, and machinery installation), where capital turnover is slow. This creates difficulties in managing cash flow, leading to outstanding debts, long-overdue payments, and bad debts.

- Other Risks:

- Due to the nature of its business activities, the company is also exposed to risks arising from changes in tax policies, import-export regulations, and macroeconomic factors such as inflation and interest rate fluctuations.

II. Business Performance During the Year

1. Business and Production Activities:

- The challenges of 2023 continued into 2024, further exacerbated by the impact of Typhoon YAGI, making difficulties even more severe. The supply chain disruptions have yet to recover, while the ongoing Russia-Ukraine conflict remains unresolved. Additionally, localized conflicts in multiple regions worldwide have spread across continents, affecting all aspects of global and domestic economic and social life.
- Raw material prices fluctuate rapidly and unpredictably, consumer behavior is shifting, and market conditions are increasingly difficult to anticipate. Competition is fierce both among domestic enterprises and between domestic firms and imported products.
- Despite these challenges, the company has maintained stable production, improved product quality, and ensured job security for its employees. As a result, all key performance targets have been met in accordance with the annual shareholders' meeting resolutions.
- **Business Performance Results for the Year**

No.	Indicator	Unit	Plan 2024	Actual 2024	% vs. Plan	% vs. 2023
1	Production Volume					
	- Welding Electrode Production	Tons	7,540	7,437	99%	107%
	- Welding Wire Production	Tons	4,700	4,562	97%	122%
	- Paint Production (all types)	Tons	100	227	227%	148%
2	Sales Volume					
	- Welding Electrodes	Tons	7,540	7,438	98.6%	108%
	- Welding Wires	Tons	4,700	5,797	123%	133%
	- Paint (all types)	Tons	100	227	227%	146%
3	Revenue	Million VND	355,000	358,808	101%	113.7%

001
 NG
 PT
 HA
 ET
 37

No.	Indicator	Unit	Plan 2024	Actual 2024	% vs. Plan	% vs. 2023
4	Profit Before Tax	Million VND	15,000	17,019	113%	57.4%
5	Employee Income	1,000 VND/person/month	-	13,740	-	110%

2. Organization and Personnel:

- Executive Board List:

(A list including brief biographies and the percentage of voting shares and other securities issued by the company held by the General Director, Deputy General Directors, Chief Accountant, and other key management personnel.)

No.	Full Name	Shares Held	Percentage (%)	Position
1	Ngo Duy Dong	270,925	4.90%	Chairman of the Board
2	Nguyen Huy Tien	71,363	1.29%	General Director
3	Nguyen Quoc Thanh	3,222	0.058%	Deputy General Director
4	Nguyen Quang Vinh	-	-	Deputy General Director
5	Hoang Xuan Thanh	28,077	0.51%	Chief Accountant

2.1.1 Chairman of the Board of Directors

- **Full Name:** Ngo Duy Dong
- **Current Position:** Chairman of the Board of Directors
- **Date of Birth:** November 12, 1980
- **Place of Birth:** Thanh Hong, Thanh Ha, Hai Duong
- **Permanent Address:** No. 19, Alley 169, Tay Son, Dong Da, Hanoi
- **Ethnicity:** Kinh
- **Nationality:** Vietnam
- **Religion:** None
- **Education Level:** 12/12
- **Professional Qualifications:** Bachelor's degree in Accounting; Bachelor's degree in Law
- **Work Experience:**
 - 2003 – 01/2014: Engaged in independent business across multiple fields
 - 02/2014 – 12/2014: Worked at Viet Duc Welding Electrode JSC
 - 01/2015 – 12/2019: Deputy Head of Sales Department at Viet Duc Welding Electrode JSC
 - 01/2020 – 04/2022: Deputy General Director of Business at Viet Duc Welding Electrode JSC
 - 05/2022 – Present: Chairman of the Board of Directors

2.1.2 General Director

- **Full Name:** Nguyen Huy Tien
- **Date of Birth:** October 21, 1977
- **Place of Birth:** Phu Dong, Gia Lam, Hanoi

- **Permanent Address:** 223 Lac Long Quan, Nghia Do, Cau Giay, Hanoi
- **Ethnicity:** Kinh
- **Nationality:** Vietnam
- **Religion:** None
- **Education Level:** 12/12
- **Professional Qualifications:** Bachelor's degree in Accounting, Hanoi University of Finance and Accounting
- **Work Experience:**
 - 2000 – 2005: Chief Accountant, Deputy General Director at Devyt JSC; Director at Hai Cang Co., Ltd.
 - 2005 – 2006: Worked at Saigon-Hanoi Securities JSC
 - 2006 – 2007: Worked at Vietnam Information and Valuation JSC
 - 2007 – 09/2016: Worked at Avalue Vietnam Valuation JSC
 - 10/2016 – 05/2017: Deputy Head of Sales at Viet Duc Welding Electrode JSC
 - 05/2017 – 12/2019: Deputy General Director of Business at Viet Duc Welding Electrode JSC
 - 01/2020 – Present: General Director of Viet Duc Welding Electrode JSC

2.1.3 Deputy General Director of Technical Affairs

- **Full Name:** Nguyen Quoc Thanh
- **Date of Birth:** April 27, 1971
- **Place of Birth:** Yen Tho, Y Yen, Nam Dinh
- **Permanent Address:** No. 103, Building C5B, Lang Ha, Dong Da, Hanoi
- **Ethnicity:** Kinh
- **Nationality:** Vietnam
- **Religion:** None
- **Education Level:** 12/12
- **Professional Qualifications:** Engineer in Electrical & Electronic Equipment, Hanoi University of Science and Technology
- **Current Position:** Deputy General Director of Technical Affairs
- **Work Experience:**
 - 01/1999 – 02/2001: Worked at Lix Detergent Company Branch
 - 03/2001 – 02/2011: Electrical Engineer at Viet Duc Welding Electrode JSC
 - 03/2011 – 02/2013: Deputy Workshop Manager, responsible for Pressing and Drying Workshop at Viet Duc Welding Electrode JSC
 - 03/2013 – 12/2019: Head of Technical & Quality Department at Viet Duc Welding Electrode JSC
 - 01/2020 – Present: Deputy General Director of Technical Affairs at Viet Duc Welding Electrode JSC

2.1.4 Deputy General Director of Business Affairs

- **Full Name:** Nguyen Quang Vinh
- **Date of Birth:** February 23, 1992
- **Place of Birth:** Lap Thach, Vinh Phuc
- **Ethnicity:** Kinh
- **Nationality:** Vietnam
- **Religion:** None
- **Permanent Address:** No. 14, Block P, Alley 16 Ngo Quyen, Ha Dong, Hanoi
- **Professional Qualifications:** Bachelor's degree in Finance
- **Current Position:** Deputy General Director of Business Affairs
- **Work Experience:**
 - 03/2015 – 12/2016: Credit Specialist at Techcombank Head Office
 - 01/2017 – 05/2018: Credit Specialist at Asia Commercial Bank (ACB)

- 06/2018 – 09/2020: Worked at Military Commercial Joint Stock Bank (MB Bank)
- 10/2020 – 04/2022: Worked at the Business Department of Viet Duc Welding Electrode JSC
- 05/2022 – Present: Deputy General Director of Business Affairs at Viet Duc Welding Electrode JSC

2.1.5 Chief Accountant

- **Full Name:** Hoang Xuan Thanh
- **Date of Birth:** April 23, 1965
- **Place of Birth:** Phung Hung, Khoai Chau, Hung Yen
- **Ethnicity:** Kinh
- **Nationality:** Vietnam
- **Current Residence:** Viet Duc Welding Electrode JSC Housing Area, Nhi Khe, Thuong Tin, Hanoi
- **Professional Qualifications:** Bachelor's degree in Economics
- **Work Experience:**
 - 1988 – 1989: Welding Flux Processing Worker at Viet Duc Welding Electrode Company
 - 1990 – 1991: Procurement Staff at Viet Duc Welding Electrode Company
 - 1991 – 2001: General Accountant at Viet Duc Welding Electrode Company
 - 2002 – 2011: Deputy Head of Finance & Accounting Department
 - 2011 – 12/2019: Head of Finance & Accounting Department
 - 01/2020 – Present: Chief Accountant

Changes in the Executive Board: None

Employee Count and Policies

As of 2024, the company employs **182 people**. Employee wages and bonuses are determined based on work performance. The company ensures full compliance with labor rights as per the Labor Code, including social and health insurance benefits. Employees also receive additional welfare benefits, such as sick leave allowances, condolence support, and annual company retreats, all of which are clearly stated in the collective labor agreement and strictly adhered to by the company.

3. Investment Situation and Project Implementation

a) Investments in the Year

- **Completed Projects in the Year:**

No.	Fixed Asset Name	Unit	Quantity	Original Cost (VND)
1	Cooling water tank (CCB)	Piece	01	89,298,000
2	Single girder crane 3 tons	Piece	01	337,800,000
3	Concrete road in front, back, and side of DH flux core building	m ²	546	107,631,242
4	Standing air conditioner PANASONIC 45,000BTU	Piece	01	38,149,000
5	Air conditioner PANASONIC 24,000BTU	Piece	02	90,000,000

No.	Fixed Asset Name	Unit	Quantity	Original Cost (VND)
6	Paint mixing system	Set	01	78,000,000
7	CO2/MAG welding machine - Mekel brand	Set	01	36,500,000
8	Drying kiln shed	m ²	51	62,472,432
9	Flux-cored wire production workshop	Piece	802	1,514,158,450
10	Hyundai 110SP truck	Piece	01	729,007,087
11	Pickup truck (5-seat with canopy) FORD (Ranger)	Piece	01	787,684,727
12	Electric pallet truck (manual push)	Piece	01	32,000,000
Total				3,897,700,938

b) Subsidiaries and Affiliates

(Summary of activities and financial status of subsidiaries and affiliates) – Not applicable.

4. Financial Situation

a) Financial Situation

Indicator	2023	2024	% Change
Total Assets	164,226	168,510	102.5%
Net Revenue	310,780	355,170	103.4%
Operating Profit	29,575	17,244	132.6%
Other Profit	38	-225	-
Profit Before Tax	29,613	17,018	129.4%
Profit After Tax	23,694	13,482	129.5%
Dividend Payout Ratio	20%	20%	-

- Other Indicators

(Depending on the specific characteristics of the industry and the company, clarify business performance results over the past two years.)

b) Major Financial Benchmarks

Indicator	2023	2024	Notes
1. Liquidity Ratios:			
+ Current Ratio: Short-term Assets / Short-term Liabilities	2.83	2.71	
+ Quick Ratio: (Short-term Assets - Inventory) / Short-term Liabilities	1.63	1.60	
2. Capital Structure Ratios:			
+ Debt / Total Assets Ratio	0.30	0.32	
+ Debt / Equity Ratio	0.44	0.47	
3. Operational Efficiency Ratios:			
+ Inventory Turnover Ratio: COGS / Average Inventory	4.94	5.50	

Indicator	2023	2024	Notes
+ Asset Turnover Ratio: Net Revenue / Total Assets	1.89	2.11	
4. Profitability Ratios:			
+ Net Profit Margin: Net Profit / Net Revenue	0.08	0.038	
+ Return on Equity (ROE): Net Profit / Equity	0.20	0.12	
+ Return on Assets (ROA): Net Profit / Total Assets	0.14	0.08	
+ Operating Profit Margin: Operating Profit / Net Revenue	0.095	0.048	

5. Shareholder Structure and Changes in Owner's Investment Capital

a) Shares:

- The total number of outstanding voting shares of the company is **5,524,716 shares**, all of which are freely transferable shares.
- The company has no securities traded in foreign markets and does not sponsor listing or issuance of securities abroad.

b) Shareholder Structure:

As of the latest record date (**December 16, 2024**), the company's shareholder structure is as follows:

No.	Indicator	Number of Shareholders	Shares Held	Percentage (%)
1	Total	408	5,524,716	100
2	- Major Shareholders	2	980,759	17.7
	- Minor Shareholders	406	4,543,957	82.3
3	- Institutional Shareholders	2	212	0.003
	- Individual Shareholders	406	5,524,399	99.997
4	- Domestic Shareholders	401	5,508,136	99.7
	- Foreign Shareholders	7	16,580	0.3
5	- State Shareholders	0	0	0
	- Other Shareholders	408	5,524,716	100

c) Changes in Owner's Investment Capital:

- The owner's investment capital is **VND 55,247,160,000**. There were no changes during the year.

d) Treasury Stock Transactions:

- Current treasury shares:** None
- Transactions during the year:** No treasury stock transactions were conducted.

e) Other Securities:

- Issuance of other securities during the year:** None

- **Outstanding securities and unfulfilled commitments related to securities issuance:** None

6. Corporate Environmental and Social Impact Report

6.1. Raw Material Management

a) Total Raw Materials Used

- The total amount of raw materials used for the production and packaging of the company's main products and services during the year:

No.	Material Name	Unit	Actual Usage in 2024
1	Various Steel Cores	Kg	10,000,881
2	Ferro Manganese	Kg	234,693
3	Rutile	Kg	452,633
4	Ilmenite	Kg	588,108
5	Kaolin	Kg	148,596
6	Feldspar	Kg	198,601
7	Mica	Kg	86,946
8	Talc Powder	Kg	112,987
9	Limestone	Kg	160,461
10	Copper Sulfate	Kg	26,250
11	Carton Box	Unit	2,361,561
12	PE Bag	Kg	24,029
...	Others		

6. Corporate Environmental and Social Impact Report

6.1. Raw Material Management

a) Total Raw Materials Used

- The company annually reuses coating flux in production, saving approximately 2% of the total raw materials (excluding steel). The primary benefit of this initiative is cost reduction, but more importantly, it contributes to environmental protection by recycling solid waste. This innovation received a creativity award in a corporate innovation competition.

6.2. Energy Consumption

a) Direct and Indirect Energy Consumption

- **Electricity:** 4,857,814 kWh/year.
- **Coal:** The company has transitioned from coal to compressed wood fuel to reduce costs and minimize environmental harm. Additionally, efforts are underway to improve the drying system, replacing manual drying with electric drying, utilizing clean energy from solar power.

b) Energy Savings Through Efficiency Initiatives

- The company is exploring the use of compressed wood waste as a substitute for coal, aiming to lower costs and environmental impact. Contracts for installing solar energy systems on factory roofs are currently being negotiated.

c) Reports on Energy-Saving Initiatives

- Investments are being made to transition from single-unit welding rod drying ovens to continuous drying ovens, utilizing residual heat to conserve energy.

6.3. Water Consumption

a) Water Supply Sources and Usage

- The company sources water from self-extraction (Thường Tín plant) and Cẩm Giàng Water Plant (Hải Dương plant), with a total daily usage of approximately 75 cubic meters.

b) Percentage and Total Amount of Recycled and Reused Water

- **Hải Dương Welding Wire Plant:** Approximately 60% of used water is processed through a recycling system and reused.
- **Thường Tín Welding Rod Plant:** Approximately 70% of used water is processed through a recycling system and reused.

6.4. Compliance with Environmental Laws

a) **Number of Fines for Environmental Law Violations:** None.

b) **Total Amount of Fines for Environmental Law Violations:** None.

6.5. Labor Policies

a) **Average Workforce in 2024:** 182 employees.

- **Average Monthly Income:** VND 13.74 million per person.

b) Labor Policies Ensuring Employee Health, Safety, and Welfare

- Annual workplace environment inspections ensure safe working conditions.
- All employees receive yogurt and condensed milk as dietary supplements, particularly those in high-heat and dusty environments.
- Annual occupational disease screenings and periodic health check-ups are provided, with individual medical records maintained.
- First aid and workplace safety training sessions are conducted in Q1 each year.
- Employees are provided with appropriate personal protective equipment.
- Since 2000, no cases of occupational diseases have been recorded.
- An annual labor conference is held in March or April, where the company's labor union signs a collective labor agreement with management, granting benefits exceeding legal requirements. These include:
 - Holiday and Tet gifts (minimum VND 500,000 per person).
 - Daily meal allowance of VND 30,000 per workday.
 - Annual company-sponsored retreats.
 - Birthday gifts, sickness assistance, bereavement support, and Tet gifts for employees' parents.

c) Employee Training Activities

- The Human Resources Department prepares an annual training plan, detailing schedules, trainee numbers, and budgets.
- Workplace safety training is conducted in Q1.
- Salary grade training classes are organized in October.
- Employees receive an average of 88 hours of training per year.
- Employees are also sent to training programs conducted by government agencies, ministries, and industry associations (e.g., VCCI).

6.6. Community Responsibility Report

- The company ensures sustainable development by balancing corporate interests with those of employees, customers, and suppliers.
- Production processes comply with quality standards, and waste management follows strict environmental protection protocols.
- The company actively engages in local community initiatives, supporting poverty alleviation and educational programs.

6.7. Green Capital Market Activities Report (As Guided by the State Securities Commission of Vietnam)

- All newly invested equipment and technologies are selected to be environmentally friendly.
- The company collaborates with organizations and funds to promote investments in environmentally sustainable equipment and energy solutions.

III. Report and Evaluation by the Board of Directors

(The Board of Directors reports and evaluates all aspects of the company's situation)

1. Evaluation of Business Performance

- **General Analysis of the Company's Performance Compared to Plans/Projections and Past Business Results**

In 2024, the global situation continued to evolve in a complex and unpredictable manner, with numerous risks and uncertainties. Military conflicts escalated, and strategic competition between major powers intensified. Additionally, natural disasters and extreme weather severely impacted livelihoods and socio-economic development in many countries, including Vietnam.

However, with the solidarity of employees and the sharp leadership of the Board of Directors and Executive Management, the company overcame difficulties and successfully met and even exceeded the targets set by the 2024 General Meeting of Shareholders.

a) Challenges:

- The global economy remained difficult due to escalating geopolitical tensions, including the Russia-Ukraine war, conflicts in the Middle East, and more recently, tensions between South Korea and North Korea.
- Super Typhoon Yagi in September caused significant damage to infrastructure, goods, and raw materials.

- Sharp fluctuations in the USD exchange rate and container shortages due to war led to high shipping costs, impacting the company's import and export activities.
- Intense price competition with domestic competitors and Chinese products posed challenges to the company's business efficiency.

b) Advantages:

- A stable and growing customer base provided favorable conditions for welding material products.
- Prices of key raw materials such as steel, rutile, and ferro manganese remained relatively stable, ensuring a steady supply of production inputs.
- Increasing focus on product quality and continuous improvement in production processes enhanced efficiency and professionalism.
- Strong unity and coordination between company leadership and employees ensured smooth management and operations.

(Business results are detailed in Section II.1.)

2. Financial Situation

a) Asset Situation:

An analysis of the company's assets, including fluctuations and asset efficiency, as well as an evaluation of bad debts and underperforming assets that may impact business performance.

Indicator	2023	2024	Difference
A- Current Assets	129,351,840,270	136,795,413,351	7,433,573,081
I. Cash and Cash Equivalents	30,711,363,013	24,412,914,593	-6,298,448,420
III. Short-term Receivables	43,858,838,154	56,145,394,020	12,286,555,866
1. Trade Receivables	42,812,803,026	52,179,066,300	9,366,263,274
2. Advances to Suppliers	7,541,095,164	10,459,928,347	2,918,833,183
3. Short-term Loans Receivable	-	-	-
6. Other Short-term Receivables	243,121,264	134,903,273	-108,217,991
7. Provision for Doubtful Debts	-6,738,181,300	-6,597,574,900	140,606,400
IV. Inventories	54,781,639,103	56,237,104,738	1,455,465,635
1. Inventories	54,781,639,103	56,237,104,738	1,455,465,635
V. Other Current Assets	-	-	-
2. Deductible VAT	-	-	-
3. Taxes and Other Receivables from the State	-	-	-
B. Non-current Assets	34,874,606,215	31,714,810,342	-3,159,795,873
II. Fixed Assets	32,048,376,637	28,810,069,708	-3,238,306,929
1. Tangible Fixed Assets	32,048,376,637	28,810,069,708	-3,238,306,929
- Original Cost	142,077,869,200	145,975,570,138	3,897,700,938
- Accumulated Depreciation	110,029,492,563	117,165,500,430	-7,136,007,867
2. Finance Lease Fixed Assets	-	-	-
3. Intangible Fixed Assets	-	-	-
- Original Cost	267,135,000	267,135,000	-
- Accumulated Depreciation	(267,135,000)	(267,135,000)	-

Indicator	2023	2024	Difference
IV. Work in Progress	-	-	-
1. Long-term Work in Progress	-	-	-
2. Construction in Progress	-	-	-
VI. Other Non-current Assets	2,826,229,578	2,904,740,634	78,551,006
1. Long-term Prepaid Expenses	2,826,229,578	2,904,740,634	78,551,006
TOTAL ASSETS	164,226,446,485	168,510,223,693	4,283,777,208

Comparison of 2024 vs. 2023: Asset and Liability Situation

In 2024, the company's total assets increased by **4.28 billion VND** compared to 2023, with short-term assets rising by **7.4 billion VND** and long-term assets decreasing by **3.12 billion VND**.

+ Short-term Assets:

- Due to some customers experiencing slow capital turnover, several payments at the end of 2024 could not be completed as per contract terms, leading to lower-than-expected cash inflows. Consequently, accounts receivable increased, while cash reserves declined. However, the company actively monitored customer accounts in detail to prevent bad debt occurrences.
- Towards the end of the year, market demand surged, resulting in increased sales volumes and revenues. To meet market demand, the company ramped up production, leading to higher raw material and finished goods inventories. This contributed to an increase in stock levels. However, the company maintained full control over short-term asset fluctuations and managed them promptly, ensuring minimal impact on business performance.

+ Long-term Assets:

- No significant fluctuations were recorded; changes were primarily due to depreciation and reinvestment adjustments.

b) Liabilities Situation:

- Overview of the current debt structure and major changes in liabilities.
- Analysis of bad debts, the impact of foreign exchange rate fluctuations on business performance, and the effects of interest rate differences.

Liabilities Summary

No.	Indicators	Year 2023 (VND)	Year 2024 (VND)	Difference (VND)
C	LIABILITIES	50,073,156,353	53,872,802,545	3,799,646,192
I	Short-term liabilities	45,548,976,353	50,386,982,545	4,838,006,192
1	Short-term trade payables	11,675,725,134	8,906,031,503	-2,769,693,631
2	Short-term advances from customers	1,174,797,555	26,441,058	-1,148,356,497
3	Taxes and payables to the state	2,327,951,236	1,830,898,499	-497,052,737
4	Payables to employees	6,131,382,316	5,604,241,965	-527,140,351

No.	Indicators	Year 2023 (VND)	Year 2024 (VND)	Difference (VND)
9	Other short-term payables	11,731,663,775	11,631,426,578	-100,237,197
10	Short-term borrowings and lease liabilities	11,881,131,944	21,647,239,891	9,766,107,947
12	Bonus and welfare fund	626,324,393	714,522,641	88,198,248

III. Report and Evaluation by the Board of Directors:

1. Evaluation of Business Operations

- Analysis of the company's overall operations compared to the planned targets and past business performance.

In 2024, the global situation continued to be complex and unpredictable, with many risk factors and uncertainties. Military conflicts escalated, strategic competition among major countries intensified, and natural disasters and extreme weather severely impacted the lives of residents and economic-social development in many countries, including Vietnam.

However, with the solidarity of all employees and the sharp leadership of the Board of Directors and the Executive Board, the company overcame difficulties and successfully achieved and even exceeded the targets set by the 2024 General Meeting of Shareholders.

a. Challenges:

- The global economy remained difficult due to escalating geopolitical tensions, including the Russia-Ukraine war, conflicts in the Middle East, and recent tensions between South Korea and North Korea.
- Super Typhoon Yagi in September caused significant damage to infrastructure, goods, and raw materials.
- Sharp fluctuations in the USD exchange rate and a shortage of shipping containers due to war led to increased transportation costs, affecting the company's import and export activities.
- Intense price competition with domestic rivals and imported products from China significantly impacted business efficiency.

b. Opportunities:

- Stable and growing demand from loyal customers facilitated the company's welding material products.
- Prices of key raw materials such as steel, rutile, and ferromanganese remained stable, enabling smooth production planning.
- Increasing focus on product quality and enhanced production processes ensured greater efficiency and professionalism.
- Strong unity and coordination between company leadership and employees in management and operations.

Business Performance Results (As mentioned in Section II.1)

2. Financial Situation

a) Asset Status:

- Analysis of assets and their changes (evaluation of asset utilization efficiency, bad debts, and impaired assets affecting business performance).
- Compared to 2023, the company's total assets increased by VND 4.28 billion in 2024, with short-term assets rising by VND 7.4 billion while long-term assets decreased by VND 3.12 billion.

Short-term assets:

- Some customers experienced slow capital turnover, leading to delayed payments at the end of 2024. This resulted in lower-than-expected cash inflows, an increase in accounts receivable, and a decrease in available cash. However, the company closely monitored customer accounts to prevent bad debts.
- Market demand surged in the final months of the year, driving higher sales volumes and revenues. To meet this demand, the company increased production, leading to higher inventory levels of raw materials and finished goods. Nonetheless, these asset fluctuations were well managed and did not significantly impact overall business performance.

Long-term assets:

- No major fluctuations; the changes were mainly due to depreciation and new investments.

b) Liabilities:

- Current debt situation and major fluctuations in liabilities.
- Analysis of bad debts, foreign exchange rate fluctuations affecting business results, and interest rate impact.

As mentioned in the asset section, increased accounts receivable and inventory levels required greater capital resources. To ensure timely procurement of raw materials at favorable prices, the company had to make advance payments or immediate settlements, leading to a higher level of bank loans in 2024 compared to 2023.

3. Improvements in Organizational Structure, Policies, and Management:

- The company implemented the ISO 9001:2015 quality management system, replacing the previous ISO 9001:2008 system, to enhance risk prevention in business operations. This system has been successfully certified and is being uniformly applied across the company's management and production activities.
- The company is refining production processes and quality control measures at each stage to ensure stable and high-quality products.
- Digital transformation initiatives have been undertaken, including brand identity development and corporate culture enhancement, to strengthen the company's market position both domestically and internationally.
- Implementation of the BRAVO management software to monitor, analyze, and manage various aspects of the company's business operations.
- The company aims to balance the interests of investors, employees, and customers.
- The organizational structure has been streamlined for efficiency.

4. Future Development Plans:

4.1 – Short-term Plans:

- **Production:** Continue improving and increasing the quality and output of welding wires (W49) and specialized welding electrodes. Ensure product quality and maintain strict control over production processes.
- **Sales:** Expand market reach through distributors and direct sales channels. Enhance brand recognition and corporate culture. Maintain accounts receivable at a level equivalent to one month's revenue.
- **Efficiency Initiatives:** Launch and implement productivity-enhancing initiatives such as technical innovations and cost-saving measures.
- **Corporate Unity:** Strengthen the unity between company leadership and employees in management and operational tasks.

4.2 – Medium and Long-term Plans:

- Target annual growth of 8–12%.
- Ensure stable and increasing income for employees.
- Maintain sustainable growth while prioritizing environmental protection.
- Expand distribution channels, promote the company's brand on domestic and international e-commerce platforms, and boost exports.

5. Explanation by the Board of Directors Regarding Audit Opinions (if any):

- This section will provide justifications in cases where the audit opinion is not a fully unqualified opinion.

6. Corporate Social and Environmental Responsibility Report:

a. Environmental Indicators Assessment (water consumption, energy use, emissions, etc.):

- The company actively implements energy-saving initiatives and eco-friendly technologies to minimize environmental impact.

b. Employee-Related Assessment:

- Ensures health, safety, and welfare for employees, with regular medical check-ups, occupational disease screenings, and enhanced workplace safety measures.
- Conducts training programs and skill development workshops to enhance workforce capabilities.

c. Corporate Responsibility to Local Communities:

- Beyond fulfilling tax obligations, the company contributes to local government budgets where it operates.
- Provides employment opportunities for local workers.
- Participates in community activities as regulated by law.

IV. Evaluation by the Board of Directors on Company Operations:

1. Assessment of Company Activities, including Environmental and Social Responsibility: Despite numerous challenges such as supply chain disruptions, global conflicts, and natural disasters like Typhoon Yagi, the Board of Directors has worked closely with the Executive Board to ensure stable production, maintain market share, and secure jobs and income for employees. As a result, the company's 2024 business performance remained strong, meeting and exceeding targets set by the General Meeting of Shareholders.

The company maintains a balance of interests among shareholders, employees, suppliers, distributors, and consumers. It actively supports the local community through donations, disaster relief efforts, and social initiatives while ensuring compliance with environmental protection regulations. The company has also implemented strict waste management measures to prevent the discharge of hazardous waste into the environment.

2. Assessment of the Executive Board's Performance: The Executive Board has fulfilled its responsibilities in accordance with company regulations and legal requirements. Despite some disparities in expertise among members, their collective efforts have led to successful business outcomes, maintaining stability and profitability. The Board of Directors regularly monitors the Executive Board through meetings, reports, and internal audits to ensure efficiency and compliance.

Key strengths of the Executive Board include:

- Timely proposals and recommendations to keep business operations aligned with strategic goals.
- Recognition of human resource development as a priority, ensuring long-term growth.
- Strong focus on corporate culture, fostering employee engagement and innovation.
- Full compliance with tax obligations, employee welfare policies, and corporate social responsibility initiatives.

However, there remains an imbalance in the expertise levels among Executive Board members, with some requiring further development in specialized knowledge.

3. Future Plans and Directions: For 2025, the company anticipates ongoing challenges, including rising raw material costs and intense competition in the domestic market. Based on the achievements of 2024, the Board of Directors and the Executive Board have set the following targets:

- **Total welding electrode production:** 8,000 tons.
- **Total welding wire production:** 6,000 tons.
- **Total paint production:** 250 tons.
- **Total flux production:** 180 tons.
- **Revenue:** \geq VND 370 billion.
- **Profit:** \geq VND 16 billion.
- **Expected dividends:** 20% cash payout and 20% stock issuance.
- **Higher employee income compared to 2024.**

To achieve these goals, the Board of Directors will implement and oversee the following actions:

- Enhance corporate governance, updating regulations and policies to ensure transparency and effectiveness.
- Strengthen cost management and maximize equipment utilization to improve efficiency.
- Complete phase 2 of the fire prevention and safety system at the Hai Duong welding wire factory.
- Upgrade and optimize machinery, ensuring optimal use of production space.
- Foster a collaborative and innovative work environment, encouraging employee skill development.
- Provide strong support for the Executive Board in operational decision-making and strategic execution.

V. Corporate Governance: (This section is not mandatory for non-listed organizations.)

1. Board of Directors Structure:

- List of Board members, voting shares, and other securities issued by the company.
- Identification of independent members and their roles.
- Number of additional positions held by Board members in other companies.

No.	Full Name	Company Shares	Percentage (%)	Other Securities	Percentage (%)	Notes
1	Ngo Duy Dong	284,645	4.90			Chairman of the Board (CTHDQT)
2	Nguyen Huy Tien	71,363	1.29			Member
3	Ngo Duc Dung					Member
4	Nguyen Manh Khoi					Member
5	Nguyen Huu Mai					Member

Board of Directors Meetings

No.	Board Member	Number of Meetings Attended	Attendance Rate	Reason for Absence
1	Ngo Duy Dong	5	100%	-
2	Nguyen Huy Tien	5	100%	-
3	Ngo Duc Dung	5	100%	-
4	Nguyen Manh Khoi	5	100%	-
5	Nguyen Huu Mai	5	100%	-

Board Committees:

- Board members do not hold directorship positions in other companies.
- The company does not issue or underwrite any other securities.
- Subcommittees within the Board of Directors: None.
- Activities of independent Board members and subcommittees: Not applicable.
- List of Board members with corporate governance training certificates or participation in governance programs: None.

3. Board of Directors' Oversight of the Executive Board:

- The Chairman of the Board regularly attends executive meetings on business operations.
- Two Board members are involved in the company's executive management, ensuring timely implementation of resolutions passed by the General Meeting of Shareholders and the Board of Directors with high consistency.

4. Activities of Board Subcommittees: None.

5. Resolutions and Decisions of the Board of Directors:

No	Resolution Number	Date	Content
1	No. 59/Resolution of the Board of Directors	March 18, 2024	Regarding the Organization of the Annual General Meeting of Shareholders (AGM) for 2024
2	No. 62/Resolution of the Board of Directors	March 20, 2024	Adjustment of Resolution No. 59/NQ-HĐQT
3	No. 94/Resolution of the Board of Directors	May 9, 2024	Approval of the loan plan to secure credit supply at VietinBank
4	No. 167/Resolution of the Board of Directors	October 24, 2024	Regarding the interim dividend payment for 2024 in cash
5	No. 168/Resolution of the Board of Directors	October 24, 2024	Regarding the appointment of the Secretary cum Head of Corporate Governance

V.2. Supervisory Board

1. Information of Supervisory Board Members (BKS)

No	Supervisory Board Member	Position	Start Date/End of Membership	Professional Qualifications
1	Mr. Le Manh Hung	Head of the Supervisory Board		Cử nhân Quản trị kinh doanh Bachelor's in Business Administration
2	Mr. Dang Quoc Dung	Head of the Supervisory Board		Bachelor's in Accounting
3	Mr. Dao Tu Binh	Member		University degree

2/Meetings of the Supervisory Board

No.	Supervisory Board Member	Number of Meetings Attended	Attendance Rate	Voting Rate	Reason for Not Attending the Meeting
1	Mr. Le Manh Hung	3	100%	100%	
2	Mr. Dang Quoc Dung	3	100%	100%	
3	Mr. Dao Tu Binh	3	100%	100%	

3. Supervision Activities of the Supervisory Board over the Board of Directors, the Executive Board, and Shareholders:

- The Board of Directors held five meetings in 2024. All meeting minutes and resolutions were duly signed as required.
- The Executive Board has fulfilled its responsibilities and duties properly.
- Minutes of all Board of Directors meetings have been recorded and stored at the company headquarters in accordance with regulations.
- No shareholders were found to have violated their obligations as stipulated in Article 13 of the Company Charter.

4. Coordination between the Supervisory Board, the Board of Directors, the Executive Board, and Other Managers:

The Supervisory Board has maintained regular communication with the Executive Board to discuss matters within its oversight responsibilities.

The Executive Board has facilitated the Supervisory Board's activities and provided necessary support.

Overall, the Supervisory Board has received full cooperation and favorable conditions from the Executive Board and the Board of Directors in carrying out its duties.

5. Other Activities of the Supervisory Board (if any): None.

6. Transactions, Compensation, and Benefits of the Board of Directors, the Executive Board, and the Supervisory Board:

(Salary, bonuses, compensation, and other benefits: The salaries, bonuses, compensation, other benefits, and expenses for each member of the Board of Directors, Supervisory Board, CEO, and other management personnel must be disclosed in detail for each individual, specifying the exact amount. Non-monetary benefits or those that cannot be quantified in financial terms must also be listed and fully explained.)

million VND

No.	full name	position	income		
			salary	allowance	total
1	Ngo Duy Dong	Chairman of the Board	631,9		631,9
2	Nguyen Huy Tien	Board Member - Director	639,5	14,4	653,9
3	Nguyen Huu Mai	Board Member		14,4	14,4
4	Nguyen Manh Khoi	Board Member		14,4	14,4
5	Ngo Duc Dung	Board Member- Material Planning	369,3	14,4	383,7
6	Nguyen Quoc Thanh	Deputy Director	532,1		532,1
7	Nguyen Quang Vinh	Deputy Director	527,3		527,3
8	Le Manh Hung	Head of the Supervisory Board	335,9	10,8	346,7
9	Dang Quoc Dung	Member of the Supervisory Board		7,2	7,2
10	Dao Tu Binh	Member of the Supervisory Board	304,4	7,2	311,6
11	Hoang Xuan Thanh	Chief Accountant	503,3		503,3

b) Transactions of Internal Shareholders:

(Information on share transactions involving members of the Board of Directors, the Supervisory Board, the CEO (General Director), Chief Accountant, management personnel, Company Secretary, major shareholders, and related persons.) None.

c) Contracts or Transactions with Internal Shareholders:

(Information on contracts or transactions signed or executed during the year between the company, its subsidiaries, or controlled entities and members of the Board of Directors, the Supervisory Board, the CEO (General Director), management personnel, and their related persons.) None.

d) Compliance with Corporate Governance Regulations:

(Specify any governance regulations that have not been implemented as required by law, along with the reasons, corrective measures, and plans to enhance governance efficiency.)

VI. Financial Report

1. Auditor's Opinion

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Viet Duc Welding Electrode Joint Stock Company, prepared on March 25, 2025, from pages 06 to 29. These financial statements include the Balance Sheet as of December 31, 2024, the Income Statement, the Cash Flow Statement for the financial year ending on the same date, and the Notes to the Financial Statements.

Management's Responsibility

The Company's Management is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on financial reporting. Management is also responsible for internal controls necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Vietnamese Auditing Standards. These standards require us to comply with ethical requirements, plan, and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessing the risk of material misstatement in the financial statements due to fraud or error. In assessing these risks, the auditor considers the Company's internal control relevant to the preparation and fair presentation of the financial statements in order to design appropriate audit procedures. However, this assessment is not conducted for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of management's accounting estimates, and the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Viet Duc Welding Electrode Joint Stock Company as of December 31, 2024, as well as its financial performance and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on financial reporting.

AASC Auditing Firm Co., Ltd.

2. Audited Financial Statements

(The audited annual financial statements include the Balance Sheet, the Income Statement, the Cash Flow Statement, and the Notes to the Financial Statements, in accordance with legal regulations on accounting and auditing.)

2.1 Balance Sheet as of December 31, 2024

BALANCE SHEET
As of December 31, 2024

INDICATOR	INDICATOR CODE	EXPLANATION	ENDING BALANCE	BEGINNING BALANCE
ASSETS				
A- SHORT-TERM ASSETS	100		136,795,413,351	129,351,840,270
I. Cash and Cash Equivalents	110	3	24,412,914,593	30,711,363,013
1. Cash	111		24,412,914,593	30,711,363,013
2. Cash equivalents	112			
II. Short-Term Financial Investments	120		-	-
1. Trading securities	121		-	-
2. Provision for decrease in value of trading securities	122		-	-
3. Investments held to maturity	123		-	-
III. Short-Term Receivables	130		56,145,94,020	43,858,838,154
1. Short-term receivables from customers	131		52,179,066,300	42,812,803,026
2. Prepayments to suppliers (short-term)	132		10,459,928,347	7,541,095,164
3. Intercompany short-term receivables	133		-	-
4. Receivables based on construction contract progress	134		-	-
5. Receivables from short-term loans	135			
6. Other short-term receivables	136		103,934,273	243,121,264
7. Provision for doubtful short-term receivables	137		(6,597,534,900)	(6,738,181,300)
8. Assets pending resolution	139		-	-
IV. Inventory	140		56,237,104,738	54,781,639,103
1. Inventory	141	5	56,237,104,738	54,781,639,103
2. Provision for decrease in value of inventory	149		-	-
V. Other Short-Term Assets	150		-	-
1. Short-term prepaid expenses	151		-	-
2. VAT deductible	152			
3. Taxes and other receivables from the State	153			
4. Government bond repurchase transactions	154			
5. Other short-term assets	155			
B. LONG-TERM ASSETS	200		31,714,810,342	34,874,606,215
I. Long-Term Receivables	210		-	-
1. Long-term receivables from customers	211		-	-
2. Prepayments to suppliers (long-term)	212		-	-
3. Business capital in subsidiaries	213		-	-
4. Intercompany long-term receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Provision for doubtful long-term receivables	219		-	-
II. Fixed Assets	220	6	28,810,069,708	32,048,376,637
1. Tangible Fixed Assets	221		28,810,069,708	32,048,376,637
- Original cost	222		145,975,570,138	142,077,869,200
- Accumulated depreciation	223		(117,165,,500,430)	(110,029,492,563)
2. Finance-Leased Fixed Assets	224		-	-
- Original cost	225		-	-
- Accumulated depreciation	226		-	-

11/11/2024 10:00 AM

3. Intangible Fixed Assets	227	7	-	-
-Original cost	228		267,135,000	267,135,000
- Accumulated depreciation	229		(267,135,000)	(267,135,000)
III. Investment Properties	230		-	-
- Original cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-Term Construction in Progress	240		-	-
1. Long-term production and business costs in progress	241		-	-
2. Long-term construction in progress	242		-	-
V. Long-Term Financial Investments	250		-	-
1. Investment in subsidiaries	251		-	-
2. Investment in affiliates, joint ventures	252		-	-
VI. Other Long-Term Assets	260		2,904,740,634	2,826,229,578
1. Long-term prepaid expenses	261		2,904,740,634	2,826,229,578
2. Recoverable income tax assets	262		-	-
3. Long-term replacement parts, materials, and equipment	263		-	-
4. Other long-term assets	268		-	-
5. Goodwill	269		-	-
TOTAL ASSETS	270		168,510,223,693	164,226,446,485
SOURCES OF CAPITAL				
C. LIABILITIES	300		53,872,802,545	50,073,156,353
I. Short-Term Liabilities	310		50,386,982,545	45,548,976,353
1. Payables to suppliers (short-term)	311		8,906,031,503	11,675,725,134
2. Advance payments from customers (short-term)	312		26,441,058	1,174,797,555
3. Taxes and other payables to the State	313	11	1,830,898,499	2,327,951,236
4. Payables to employees	314		5,604,241,965	6,131,382,316
5. Short-term accrued expenses	315		26,180,410	-
6. Intercompany short-term payables	316		-	-
7. Payables based on construction contract progress	317		-	-
8. Unearned revenue (short-term)	318		-	-
9. Other short-term payables	319	12	11,631,426,578	11,731,663,775
10. Short-term loans and finance lease liabilities	320	10	21,647,239,981	11,881,131,944
11. Provision for short-term payables	321		-	-
12. Reward and welfare fund	322		714,522,641	626,324,393
13. Price stabilization fund	323		-	-
14. Government bond repurchase transactions	324		-	-
II. Long-Term Liabilities	330		3,485,820,000	4,524,180,000
1. Payables to suppliers (long-term)	331		-	-
2. Advance payments from customers (long-term)	332		-	-
3. Long-term accrued expenses	333		-	-
4. Intercompany payables related to business capital	334		-	-
5. Intercompany long-term payables	335		-	-
6. Unearned revenue (long-term)	336		3,485,820,000	4,524,180,000
D. OWNERS' EQUITY	400		114,637,421,148	114,153,290,132
I. Owners' Equity	410		114,637,421,148	114,153,290,132
1. Owner's contributed capital	411		55,247,160,000	55,247,160,000
- Voting common shares	411a		55,247,160,000	55,247,160,000

- Preferred shares	411b		-	-
2. Share premium	412		683,890,000	683,890,000
3. Convertible bond options	413		-	-
4. Other owners' equity	414		-	-
5. Treasury shares	415		-	-
6. Asset revaluation differences	416		-	-
7. Foreign exchange differences	417		-	-
8. Development investment fund	418		5,524,716,000	5,524,716,000
9. Enterprise restructuring support fund	419		-	-
10. Other funds under owners' equity	420			
11. Undistributed after-tax profits	421		53,181,655,148	52,697,524,132
- Cumulative undistributed after-tax profits from previous periods	421a		39,699,394,644	29,002,762,894
- Undistributed after-tax profits for the current period	421b		13,482,260,504	23,694,761,238
12. Investment in construction in progress	422		-	-
13. Non-controlling interests	429		-	-
II. Other Funds and Reserves	430		-	-
TOTAL SOURCES OF CAPITAL	440		168,510,223,693	164,226,446,485

2.2 Income Statement

INCOME STATEMENT - YEAR 2024

Indicator	Code	Explanation	Year 2024	Year 2023
1. Revenue from sales and provision of services	01		358,808,909,405	315,538,760,972
2. Revenue deductions	02		3,638,539,585	4,758,043,934
3. Net revenue from sales and provision of services (10 = 01 - 02)	10		355,170,369,820	310,780,717,038
4. Cost of goods sold	11		305,103,692,406	253,229,210,975
5. Gross profit from sales and provision of services (20 = 10 - 11)	20		50,066,677,414	57,551,506,063
6. Financial income	21		185,096,531	467,790,787
7. Financial expenses	22		1,100,518,295	1,063,933,625
- Including: Interest expenses	23		1,100,518,295	1,035,971,333
8. Share of profit/loss from joint ventures and associates	24		-	-
9. Selling expenses	25		15,156,366,081	12,830,059,995
10. Administrative expenses	26		16,750,782,200	14,550,185,693
11. Operating profit (30 = 20 + (21 - 22) + 24 - (25 + 26))	30		17,244,107,369	29,575,117,537
12. Other income	31		439,551,042	95,643,000
13. Other expenses	32		664,666,229	57,411,051
14. Other profit (40 = 31 - 32)	40		-225,115,187	38,231,949
15. Total accounting profit before tax (50 = 30 + 40)	50		17,018,992,182	29,613,349,486
16. Current income tax expense	51		3,536,731,682	5,918,588,248
17. Deferred income tax expense	52		-	-
18. Net profit after income tax (60 = 50 - 51 - 52)	60		13,482,260,500	23,694,761,238
19. Net profit after tax attributable to parent company	61		-	-
20. Net profit after tax attributable to non-controlling interests	62		-	-
21. Basic earnings per share (EPS)	70		2,440	4,289
22. Diluted earnings per share (EPS)	71			-

2.3 Cash Flow Statement for the Year 2024

INDICATOR	CODE	EXPLANATION	CURRENT YEAR	PREVIOUS YEAR
I. Cash Flows from Operating Activities				
1. Cash received from sales of goods, provision of services, and other income	01		378,478,350,329	335,599,540,813
2. Cash paid to suppliers of goods and services	02		(330,072,727,731)	(273,205,778,407)
3. Cash paid to employees	03		(30,558,902,494)	(26,686,152,082)
4. Interest paid	04		(1,094,345,211)	(1,035,971,333)
5. Corporate income tax paid	05		(5,155,405,483)	(6,136,967,067)
6. Other cash inflows from operating activities	06		439,551,042	710,678,495
7. Other cash outflows for operating activities	07		(11,292,116,504)	(15,260,460,636)
8. Net cash flows from operating activities	20		(1,183,122,268)	13,984,889,783
II. Cash Flows from Investing Activities				
1. Cash spent on purchasing and constructing fixed assets and other long-term assets	21		(3,897,700,918)	(1,929,176,674)
2. Cash proceeds from liquidation or sale of fixed assets and other long-term assets	22			
7. Cash received from interest on loans, dividends, and profit sharing	27		21,502,572	22,564,627
Net cash flows from investing activities	30		(3,876,198,366)	(1,906,612,047)
III. Cash Flows from Financing Activities				
1. Cash received from issuing shares, receiving capital contributions from owners	31			
2. Cash paid to return capital to shareholders, repurchase the company's shares	32			
3. Cash received from borrowings	33		85,472,942,456	31,179,660,985
4. Cash paid for repaying loan principal	34		(75,706,834,509)	(39,947,983,461)
5. Cash paid for financial lease liabilities	35			
6. Dividends and profits paid to shareholders	36		(11,041,412,100)	(11,063,499,025)
7. Cash received from contributions of non-controlling shareholders	.37			
Net cash flows from financing activities	40		(1,275,304,153)	(19,831,821,501)
Net Cash Flow for the Period	50		(6,334,624,787)	(7,753,543,765)
Cash and cash equivalents at the beginning of the period	60		30,711,363,013	38,408,077,406
Foreign exchange rate effects on cash	61		36,176,367	56,829,372

Cash and cash equivalents at the end of the period	70	24,412,914,593	30,711,363,013
--	----	----------------	----------------

2.4 Notes to the Financial Statements
(Posted on VIWELCO.COM.VN and QHD.COM.VN and simultaneously disclosed on the website of the Hanoi Stock Exchange.)

COMPANY DIRECTOR 



GIÁM ĐỐC
Nguyễn Huy Tiên

